

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF
COLORADO

Proceeding Nos. 17G-0748TO and 17G-0774TO

Civil Penalty Assessment Notice Nos. 119359, 119645

PUBLIC UTILITIES COMMISSION OF THE STATE OF COLORADO,

Complainant,

v.

3ZERO3 RECOVERY L.L.C., DBA 303 RECOVERY & INVESTIGATIONS L.L.C.

Respondent.

STIPULATION AND SETTLEMENT AGREEMENT

1. The parties in this Matter, Staff of the Public Utilities Commission (Staff) and Respondent 3zero3 Recovery L.L.C., dba 303 Recovery & Investigations L.L.C. (Respondent), file this Stipulation and Settlement Agreement (Agreement) as a complete and final resolution of all issues that were or could have been raised in these proceedings. Heath Cameron Cook is the owner of Respondent and has the authority to enter into this settlement on behalf of Respondent.

Background

2. On October 31, 2017, Staff issued Respondent Civil Penalty Assessment Notice No. 119359-CPAN (CPAN I) seeking civil penalties of \$41,745 (or \$20,872.50 if paid within 10 days). When Respondent failed to pay within ten days, CPAN I became the complaint in proceeding 17G-0748TO. Civil Penalty

Assessment Notice No. 119645-CPAN (CPAN II) issued on November 3, 2017 seeking civil penalties of \$1265.00 (\$632.50 if paid in full within 10 days). When Respondent failed to pay within ten days, CPAN II became the complaint in proceeding 17G-0774TO.

3. CPAN I alleged 33 violations of 4 C.C.R. 723-6-6508(b)(I), the failure of the Respondent to have proper authorization prior to performing a nonconsensual tow. CPAN II alleged one violation of the same regulation. CPAN I was served via certified mail, return receipt requested, on November 8, 2017. CPAN II was served via certified mail, return receipt requested, on November 8, 2017.

Settlement Agreement

The Staff and Respondent hereby stipulate and agree as follows:

4. Respondent admits liability to all violations in CPAN I and CPAN II.
5. Respondent agrees to comply with all Colorado and federal statutes, regulations, and rules concerning tow carriers, including those related to vehicle drops and nonconsensual tows.
6. The Agreement herein has been reached in the spirit of compromise and in light of the uncertainties of trial. The Agreement has also been reached to avoid the costly expense of litigation. The Agreement promotes administrative efficiency by avoiding the time and expense that would be necessarily devoted to hearing this matter. The public interest is served by requiring the payment by Respondent of a civil penalty in the amount of \$19,000 to the PUC under the terms in this Agreement. Additionally, the public interest is served by requiring the

Respondent to make refund payments to individual complainants in this matter totaling \$9,660.20. In reducing the civil penalty amount, Staff considered the following mitigating factors pursuant to Commission Rule 1302(b):

- a. Respondent acknowledges wrongdoing.
- b. Respondent admits the maximum level of culpability for all violations in CPAN I and CPAN II.
- c. Assessing Respondent a civil penalty of \$19,000 and requiring complainant refunds totaling \$9,660.20 under the terms herein is sufficient motivation for Respondent to remain in compliance with the Public Utilities Laws and Commission Rules on a going-forward basis.

7. In consideration of Respondent's admission of liability, and for the reasons expressed above, Staff agrees reducing the amount of the total civil penalty of \$43,010 from both CPAN I and CPAN II to \$19,000 with an additional refund of \$9,660.20 to the complainants is appropriate and in the public interest. This \$19,000 civil penalty settlement amount consists of a \$16,521.74 penalty, plus a fifteen-percent surcharge of \$2,478.26 pursuant to § 24-34-108(2), C.R.S.

8. Respondent shall pay the complainants \$9,660.20 in total refunds immediately upon Respondent's signing this Agreement. Respondent shall provide the refunds in the form of checks or money orders payable to each individual complainant. The refunds shall be provided to the Public Utilities Commission for delivery to the complainants.

9. Respondent shall pay the total amount of \$19,000 in ten (10) equal payments. The first installment of \$1,900.00 is due within ten (10) days of the Commission's final order approving this Agreement. The next payment of \$1,900.00

shall be due thirty (30) days from the due date of the first payment. Each subsequent payment shall be due thirty (30) days from the due date of the previous payment's due date.

10. If Respondent fails to make any of the installment payments when due, fails to issue refund checks immediately upon signing this Agreement, or if any refund checks are returned for insufficient funds, Respondent shall be liable for the full civil penalty amount of \$43,010 and the full refund amount of \$9,660.20, less any payments made, which amount will be due immediately.

11. All matters that were raised or could have been raised in these proceedings relating to the issues specifically identified and addressed herein have been resolved by this Agreement. This Agreement may be executed in counterparts, each of which when taken together shall constitute the entire Agreement of the Parties, and no further modification of this Agreement is allowed, except in writing by the parties, and further agreed to in an order issued by the Commission.

12. Respondent's failure to complete its payment obligations as set forth in this Agreement shall also be deemed a waiver by Respondent of any and all rights to file exceptions and/or a request for rehearing, reargument, and reconsideration, or to file any other form of appeal.

13. In the event that this Agreement is modified or not approved in its entirety, either Party, at that Party's option, may withdraw from this Agreement by filing a notice with the Commission in this proceeding within seven days of entry of

such Order. In that event, this Agreement shall be void and this matter shall be set for hearing.

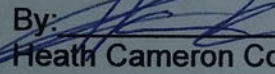
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Executed this 28th day of December, 2017.

STAFF OF THE COLORADO
PUBLIC UTILITIES COMMISSION

By: _____
Cliff Hinson
Manager, Investigations and Compliance Unit
Colorado Public Utilities Commission
1560 Broadway Suite 250
Denver, Colorado 80202

3ZERO3 RECOVERY L.L.C., DBA 303 RECOVERY & INVESTIGATIONS L.L.C.

By:  _____
Heath Cameron Cook
Owner, 3zero3 Recovery L.L.C., dba 303 Recovery & Investigations L.L.C.
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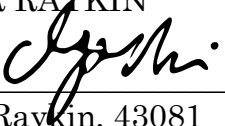
Approved as to form:

CYNTHIA H. COFFMAN
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*Counsel for 3zero3 Recovery L.L.C., dba
303 Recovery & Investigations L.L.C.*

Executed this 28th day of December, 2017.

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